



March 2002

GOT

P-CARD



CONTROLS?



Read All About It!

## “ Employees are Misusing Government Credit Cards ”

The *Arizona Republic* recently reported that federal employees abused government credit cards:

- U.S. Attorney's Office: Spent nearly half a million dollars over three years for an employee's personal expenses.
- U.S. Education Department: Workers purchased pornographic materials from an internet site.
- At least 15 federal agencies have more credit cards than employees.

Could Abuses Like These Happen Here ?

## Procurement Card Controls

P-Cards have greatly increased procurement convenience and decreased transaction costs. The cards can be programmed to refuse certain purchase types and dollar amounts.

As always, *some* employees and vendors will take advantage of opportunities for theft and abuse.



### P-Card Guidelines

Make cardholders individually accountable through clearly written agreements.

Ensure each cardholder knows which items may and may not be purchased with the P-Card.

Whenever possible, require three

separate people to perform Cardholder, Reconciler, and Approver roles.

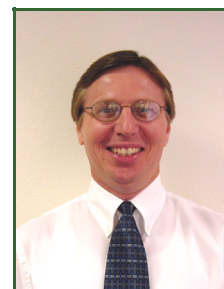
Be on the lookout for fraudulent and abusive vendor charges...identify and resolve disputes *now*.

Adhere to processing timelines.

Develop a procedure to immediately collect and cancel cards when employee job duties change.

Do not wait for Materials Management auditors to identify your department's P-Card problems....it's up to you to report any problems.

Materials Management provides departments with P-card set-up, training, newsletter updates, and audits.



Wes Baysinger,  
Materials Mgt  
Director

### Did You Know?

P-Cards are issued to individuals. Therefore, when that individual leaves your department, other employees should not use that card. Instead, submit the P-Card to Materials Management and request a new card. Also, when using a P-Card, remember to follow CAPA guidelines for obtaining quotes before making purchases costing over \$1,000.